

SERVICE CLASSIFICATION NO. 3

BACK-UP SERVICE

Applicable to Use of Service for

Power and energy supplied by the Company to replace the power and energy ordinarily generated by a Customer by means of a private generating facility on the premises, subject to the Common Provisions and Special Provisions of this Service Classification.

Subject to the Special Provisions of this Service Classification, the Customer's generator may be connected for:

- (1) parallel operation with the Company's service, or
- (2) isolated operation with back-up service provided by the Company by means of a double-throw switch.

Character of Service

Of the various characteristics of service listed and more fully described in General Rule III-2, the following may be designated for service by the Company under this Service Classification, subject to the limitations set forth in such rule and in this Service Classification. Frequencies and voltages shown are approximate. All are continuous.

Standard Service

Any derivative of the standard alternating current, 3 phase, 4 wire system at 60 cycles and 120/208 volts.

Non-Standard Service

Low Tension Alternating Current - 60 cycles:

Single phase at 120/240 volts
Three phase at 240 volts
Two phase at 120/240 or 230 or 240 volts
Three phase at 265/460 volts

High Tension Alternating Current - 60 cycles:

Three phase at 2,400/4,150 volts
Three phase at 13,200 volts
Three phase at 26,400 volts
Three phase at 33,000 volts
Three phase at 69,000 volts
Three phase at 138,000 volts

(Service Classification No. 3 - Continued on Leaf No. 217)

Date of Issue: October 7, 1993

Date Effective: January 1, 1994

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate I

Applicability: To Customers whose initial contract demands are 900 kw or less per month and whose demands do not exceed 900 kw for two consecutive months; and to Customers who transfer from Rate II to Rate I in accordance with the provisions of Rate II. Customers whose demands exceed 900 kw for two consecutive months shall thereafter be billed under Rate II.

Contract Demand Charge (per kw of contract demand)

<u>Month</u>	<u>High Tension & Low Tension Service</u> <u>Kw</u>	<u>Distribution</u>
May-03 <i>Primary Distribution</i> (All-Hours - All Days)	First 10	\$ 2.57
	Next 90	\$ 3.36
	Over 100	\$ 3.38
Jun-03 <i>Primary Distribution</i> (All-Hours - All Days)	First 10	\$ 2.57
	Next 90	\$ 3.36
	Over 100	\$ 3.38
Jul-03 <i>Primary Distribution</i> (All-Hours - All Days)	First 10	\$ 2.57
	Next 90	\$ 3.36
	Over 100	\$ 3.38
Aug-03 <i>Primary Distribution</i> (All-Hours - All Days)	First 10	\$ 2.57
	Next 90	\$ 3.36
	Over 100	\$ 3.38
Sep-03 <i>Primary Distribution</i> (All-Hours - All Days)	First 10	\$ 2.57
	Next 90	\$ 3.36
	Over 100	\$ 3.38
Oct-03 <i>Primary Distribution</i> (All-Hours - All Days)	First 10	\$ 2.57
	Next 90	\$ 3.36
	Over 100	\$ 3.38

(Service Classification No. 3 - Continued on Leaf No. 217-A)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate I - Continued

Contract Demand Charge (per kw of contract demand) - Continued

<u>Month</u>	<u>Low Tension Service</u> <u>Kw</u>	<u>Distribution</u>
May-03 <i>Secondary Distribution</i> (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Jun-03 <i>Secondary Distribution</i> (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Jul-03 <i>Secondary Distribution</i> (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Aug-03 <i>Secondary Distribution</i> (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Sep-03 <i>Secondary Distribution</i> (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Oct-03 <i>Secondary Distribution</i> (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52

(Service Classification No. 3 - Continued on Leaf No. 218)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate I - Continued

As-used Demand Charge (per kw of the maximum demand on an as-used basis, ratcheted as described in the "Determination of Demand" section of this Service Classification)

<u>Month</u>	<u>High Tension & Low Tension Service</u>	<u>Distribution</u>
May-03		
<i>Primary Distribution</i>	First 10	\$0.00
(Monday through Friday 8:00 A.M. to 10:00 P.M.)	Next 90	\$0.00
	Over 100	\$0.00
Jun-03		
<i>Primary Distribution</i>	First 10	\$4.56
(Monday through Friday 8:00 A.M. to 10:00 P.M.)	Next 90	\$6.93
	Over 100	\$7.05
Jul-03		
<i>Primary Distribution</i>	First 10	\$4.56
(Monday through Friday 8:00 A.M. to 10:00 P.M.)	Next 90	\$6.93
	Over 100	\$7.05
Aug-03		
<i>Primary Distribution</i>	First 10	\$4.56
(Monday through Friday 8:00 A.M. to 10:00 P.M.)	Next 90	\$6.93
	Over 100	\$7.05
Sep-03		
<i>Primary Distribution</i>	First 10	\$4.56
(Monday through Friday 8:00 A.M. to 10:00 P.M.)	Next 90	\$6.93
	Over 100	\$7.05
Oct-03		
<i>Primary Distribution</i>	First 10	\$0.00
(Monday through Friday 8:00 A.M. to 10:00 P.M.)	Next 90	\$0.00
	Over 100	\$0.00

(Service Classification No. 3 - Continued on Leaf No. 218-A)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate I - Continued

As-used Demand Charge (per kw of the maximum demand on an as-used basis, ratcheted as described in the "Determination of Demand" section of this Service Classification) - **Continued**

<u>Month</u>	<u>Low Tension Service</u>	
	<u>Kw</u>	<u>Distribution</u>
May-03		
<i>Secondary Distribution</i> (Monday through Friday 8:00 A.M. to 10:00 P.M.)	First 10	\$0.00
	Next 90	\$0.00
	Over 100	\$0.00
Jun-03		
<i>Secondary Distribution</i> (Monday through Friday 8:00 A.M. to 10:00 P.M.)	First 10	\$3.13
	Next 90	\$4.78
	Over 100	\$5.25
Jul-03		
<i>Secondary Distribution</i> (Monday through Friday 8:00 A.M. to 10:00 P.M.)	First 10	\$3.13
	Next 90	\$4.78
	Over 100	\$5.25
Aug-03		
<i>Secondary Distribution</i> (Monday through Friday 8:00 A.M. to 10:00 P.M.)	First 10	\$3.13
	Next 90	\$4.78
	Over 100	\$5.25
Sep-03		
<i>Secondary Distribution</i> (Monday through Friday 8:00 A.M. to 10:00 P.M.)	First 10	\$3.13
	Next 90	\$4.78
	Over 100	\$5.25
Oct-03		
<i>Secondary Distribution</i> (Monday through Friday 8:00 A.M. to 10:00 P.M.)	First 10	\$0.00
	Next 90	\$0.00
	Over 100	\$0.00

Reactive Power Demand Charge (per kilovar per month)

For each kvar determined in accordance with Special Provision F \$ 0.26

The Contract Demand Charge and the As-used Demand Charge for primary distribution are applicable to all Customers. The Contract Demand Charge and the As-used Demand Charge for secondary distribution are applicable only to Customers with Low Tension Service. The total demand charge for each billing period, excluding the Reactive Power Demand Charge, will be the sum of the Contract Demand Charge and the As-used Demand Charge, if applicable. Each charge is determined by multiplying the billable demand for the respective time period by the rate applicable to the demand for that time period.

(Service Classification No. 3 - Continued on Leaf No. 219)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate I - Continued

Energy Charge (cents per kwhr)

<u>Month</u>	<u>Time Period *</u>	<u>High Tension Service</u>							
		<u>Market Supply</u>		<u>Monthly Adjustment</u>		<u>Transmission</u>	<u>Distribution</u>	<u>Total</u>	
		<u>NYC**</u>	<u>West-chester**</u>	<u>NYC**</u>	<u>West-chester**</u>			<u>NYC**</u>	<u>West-chester**</u>
May-03	<i>On-Peak</i>	17.46	9.20	(0.46)	7.80	0.04	0.24	17.28	17.28
	<i>Off-Peak</i>	5.59	5.01	0.08	0.66	0.04	0.24	5.95	5.95
Jun-03	<i>On-Peak</i>	18.62	9.71	(0.16)	8.75	3.94	0.24	22.64	22.64
	<i>Off-Peak</i>	5.71	4.88	0.18	1.01	0.04	0.24	6.17	6.17
Jul-03	<i>On-Peak</i>	20.83	11.16	(1.30)	8.37	3.94	0.24	23.71	23.71
	<i>Off-Peak</i>	6.68	5.33	(0.20)	1.15	0.04	0.24	6.76	6.76
Aug-03	<i>On-Peak</i>	20.67	11.00	(1.26)	8.41	3.94	0.24	23.59	23.59
	<i>Off-Peak</i>	6.45	5.11	(0.19)	1.15	0.04	0.24	6.54	6.54
Sep-03	<i>On-Peak</i>	17.70	9.22	(0.30)	8.18	3.94	0.24	21.58	21.58
	<i>Off-Peak</i>	5.26	4.79	0.16	0.63	0.04	0.24	5.70	5.70
Oct-03	<i>On-Peak</i>	17.09	8.66	(0.55)	7.88	0.04	0.24	16.82	16.82
	<i>Off-Peak</i>	5.22	4.76	0.07	0.53	0.04	0.24	5.57	5.57

<u>Month</u>	<u>Time Period *</u>	<u>Low Tension Service</u>							
		<u>Market Supply</u>		<u>Monthly Adjustment</u>		<u>Transmission</u>	<u>Distribution</u>	<u>Total</u>	
		<u>NYC**</u>	<u>West-chester**</u>	<u>NYC**</u>	<u>West-chester**</u>			<u>NYC**</u>	<u>West-chester**</u>
May-03	<i>On-Peak</i>	17.46	9.20	(0.46)	7.80	0.04	0.24	17.28	17.28
	<i>Off-Peak</i>	5.59	5.01	0.08	0.66	0.04	0.24	5.95	5.95
Jun-03	<i>On-Peak</i>	18.62	9.71	(0.16)	8.75	4.06	0.24	22.76	22.76
	<i>Off-Peak</i>	5.71	4.88	0.18	1.01	0.04	0.24	6.17	6.17
Jul-03	<i>On-Peak</i>	20.83	11.16	(1.30)	8.37	4.06	0.24	23.83	23.83
	<i>Off-Peak</i>	6.68	5.33	(0.20)	1.15	0.04	0.24	6.76	6.76

(Service Classification No. 3 - Continued on Leaf No. 219-A)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate I - Continued

Energy Charge (cents per kwhr) - Continued

Month	Time Period *	Market Supply		Low Tension Service - Continued Monthly Adjustment		Transmission	Distribution	Total	
		NYC**	Westchester**	NYC**	Westchester**			NYC**	Westchester**
		Aug-03	On-Peak	20.67	11.00			(1.26)	8.41
	Off-Peak	6.45	5.11	(0.19)	1.15	0.04	0.24	6.54	6.54
Sep-03	On-Peak	17.70	9.22	(0.30)	8.18	4.06	0.24	21.70	21.70
	Off-Peak	5.26	4.79	0.16	0.63	0.04	0.24	5.70	5.70
Oct-03	On-Peak	17.09	8.66	(0.55)	7.88	0.04	0.24	16.82	16.82
	Off-Peak	5.22	4.76	0.07	0.53	0.04	0.24	5.57	5.57

* On Peak Monday through Friday 8:00 A.M. to 10:00 P.M.

Off Peak The entire 48 hours of Saturday and Sunday and Monday through Friday 10:00 P.M. to 8:00 A.M.

** See General Information Section I.

Meter Charge (per meter per month)

\$ 6.00

System Benefits Charge The charge, which is described in General Information Section VIII-(B) , is shown on the related Statement.

(Service Classification No. 3 - Continued on Leaf No. 220)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate II

Applicability: To Customers other than those billed under Rate I. Customers billed under Rate II whose demands do not exceed 900 kw for twelve consecutive months shall, upon request, be billed under Rate I.

Contract Demand Charge (per kw of contract demand)

<u>Month</u>	<u>High Tension & Low Tension Service</u> <u>Kw</u>	<u>Distribution</u>
May-03	First 10	\$ 2.57
Primary Distribution	Next 90	\$ 3.36
(All-Hours - All Days)	Over 100	\$ 3.38
Jun-03	First 10	\$ 2.57
Primary Distribution	Next 90	\$ 3.36
(All-Hours - All Days)	Over 100	\$ 3.38
Jul-03	First 10	\$ 2.57
Primary Distribution	Next 90	\$ 3.36
(All-Hours - All Days)	Over 100	\$ 3.38
Aug-03	First 10	\$ 2.57
Primary Distribution	Next 90	\$ 3.36
(All-Hours - All Days)	Over 100	\$ 3.38
Sep-03	First 10	\$ 2.57
Primary Distribution	Next 90	\$ 3.36
(All-Hours - All Days)	Over 100	\$ 3.38
Oct-03	First 10	\$ 2.57
Primary Distribution	Next 90	\$ 3.36
(All-Hours - All Days)	Over 100	\$ 3.38

(Service Classification No. 3 - Continued on Leaf No. 220-A)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate II - Continued

Contract Demand Charge (per kw of contract demand) - Continued

<u>Month</u>	<u>Kw</u>	<u>Distribution</u>
May-03 Secondary Distribution (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Jun-03 Secondary Distribution (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Jul-03 Secondary Distribution (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Aug-03 Secondary Distribution (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Sep-03 Secondary Distribution (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52
Oct-03 Secondary Distribution (All-Hours - All Days)	First 10	\$ 1.79
	Next 90	\$ 2.34
	Over 100	\$ 2.52

(Service Classification No. 3 - Continued on Leaf No. 221)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate II - Continued

As-used Demand Charge (per kw of the maximum demand on an as-used basis, ratcheted as described in the "Determination of Demand" section of this Service Classification)

High Tension & Low Tension Service

<u>Month</u>	<u>Kw</u>	<u>Distribution</u>
May-03		
Primary Distribution	First 10	\$0.00
(Monday through Friday	Next 90	\$0.00
8:00 A.M. to 10:00 P.M.)	Over 100	\$0.00
Jun-03		
Primary Distribution	First 10	\$4.56
(Monday through Friday	Next 90	\$6.93
8:00 A.M. to 10:00 P.M.)	Over 100	\$7.05
Jul-03		
Primary Distribution	First 10	\$4.56
(Monday through Friday	Next 90	\$6.93
8:00 A.M. to 10:00 P.M.)	Over 100	\$7.05
Aug-03		
Primary Distribution	First 10	\$4.56
(Monday through Friday	Next 90	\$6.93
8:00 A.M. to 10:00 P.M.)	Over 100	\$7.05
Sep-03		
Primary Distribution	First 10	\$4.56
(Monday through Friday	Next 90	\$6.93
8:00 A.M. to 10:00 P.M.)	Over 100	\$7.05
Oct-03		
Primary Distribution	First 10	\$0.00
(Monday through Friday	Next 90	\$0.00
8:00 A.M. to 10:00 P.M.)	Over 100	\$0.00

(Service Classification No. 3 - Continued on Leaf No. 221-A)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate II - Continued

As-used Demand Charge per kw of the maximum demand on an as-used basis, ratcheted as described in the "Determination of Demand" section of this Service Classification. Continued

Low Tension Service

<u>Month</u>	<u>Kw</u>	<u>Distribution</u>
<u>May-03</u>		
Secondary Distribution	First 10	\$0.00
(Monday through Friday	Next 90	\$0.00
8:00 A.M. to 10:00 P.M.)	Over 100	\$0.00
<u>Jun-03</u>		
Secondary Distribution	First 10	\$3.13
(Monday through Friday	Next 90	\$4.78
8:00 A.M. to 10:00 P.M.)	Over 100	\$5.25
<u>Jul-03</u>		
Secondary Distribution	First 10	\$3.13
(Monday through Friday	Next 90	\$4.78
8:00 A.M. to 10:00 P.M.)	Over 100	\$5.25
<u>Aug-03</u>		
Secondary Distribution	First 10	\$3.13
(Monday through Friday	Next 90	\$4.78
8:00 A.M. to 10:00 P.M.)	Over 100	\$5.25
<u>Sep-03</u>		
Secondary Distribution	First 10	\$3.13
(Monday through Friday	Next 90	\$4.78
8:00 A.M. to 10:00 P.M.)	Over 100	\$5.25
<u>Oct-03</u>		
Secondary Distribution	First 10	\$0.00
(Monday through Friday	Next 90	\$0.00
8:00 A.M. to 10:00 P.M.)	Over 100	\$0.00

Reactive Power Demand Charge (per kilovar per month)

For each kvar determined in accordance with Special Provision F \$ 0.26

The Contract Demand Charge and the As-used Demand Charge for primary distribution are applicable to all Customers. The Contract Demand Charge and the As-used Demand Charge for secondary distribution are applicable only to Customers with Low Tension Service. The total demand charge for each billing period, excluding the Reactive Power Demand Charge, will be the sum of the Contract Demand Charge and the As-used Demand Charge, if applicable. Each charge is determined by multiplying the billable demand for the respective time period by the rate applicable to the demand for that time period.

(Service Classification No. 3 - Continued on Leaf No. 222)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate II - Continued

Energy Charge (cents per kwhr)

<u>Month</u>	<u>Time Period *</u>	<u>High Tension Service</u>							
		<u>Market Supply</u>		<u>Monthly Adjustment</u>		<u>Trans- mission</u>	<u>Distri- bution</u>	<u>Total</u>	
		<u>NYC**</u>	<u>West- chester**</u>	<u>NYC**</u>	<u>West- chester**</u>			<u>NYC**</u>	<u>West- chester**</u>
May-03	On-Peak	23.05	10.46	(0.98)	11.61	0.04	0.24	22.35	22.35
	Off-Peak	5.59	5.01	0.08	0.66	0.04	0.24	5.95	5.95
Jun-03	On-Peak	24.21	10.97	0.19	13.43	8.11	0.24	32.75	32.75
	Shoulder Peak	9.27	7.60	(0.09)	1.58	0.04	0.24	9.46	9.46
	Off-Peak	5.71	4.88	0.18	1.01	0.04	0.24	6.17	6.17
Jul-03	On-Peak	26.42	12.42	(1.96)	12.04	8.11	0.24	32.81	32.81
	Shoulder Peak	11.48	9.05	(0.31)	2.12	0.04	0.24	11.45	11.45
	Off-Peak	6.68	5.33	(0.20)	1.15	0.04	0.24	6.76	6.76
Aug-03	On-Peak	26.26	12.26	(1.88)	12.12	8.11	0.24	32.73	32.73
	Shoulder Peak	11.32	8.89	(0.30)	2.13	0.04	0.24	11.30	11.30
	Off-Peak	6.45	5.11	(0.19)	1.15	0.04	0.24	6.54	6.54
Sep-03	On-Peak	23.29	10.48	(0.12)	12.69	8.11	0.24	31.52	31.52
	Shoulder Peak	8.35	7.11	(0.06)	1.18	0.04	0.24	8.57	8.57
	Off-Peak	5.26	4.79	0.16	0.63	0.04	0.24	5.70	5.70
Oct-03	On-Peak	22.68	9.92	(1.07)	11.69	0.04	0.24	21.89	21.89
	Off-Peak	5.22	4.76	0.07	0.53	0.04	0.24	5.57	5.57

<u>Month</u>	<u>Time Period *</u>	<u>Low Tension Service</u>							
		<u>Market Supply</u>		<u>Monthly Adjustment</u>		<u>Trans- mission</u>	<u>Distri- bution</u>	<u>Total</u>	
		<u>NYC**</u>	<u>West- chester**</u>	<u>NYC**</u>	<u>West- chester**</u>			<u>NYC**</u>	<u>West- chester**</u>
May-03	On-Peak	23.05	10.46	(0.98)	11.61	0.04	0.24	22.35	22.35
	Off-Peak	5.59	5.01	0.08	0.66	0.04	0.24	5.95	5.95
Jun-03	On-Peak	24.21	10.97	0.19	13.43	8.47	0.24	33.11	33.11
	Shoulder Peak	9.27	7.60	(0.09)	1.58	0.04	0.24	9.46	9.46
	Off-Peak	5.71	4.88	0.18	1.01	0.04	0.24	6.17	6.17

(Service Classification No. 3 - Continued on Leaf No. 222-A)

Date of Issue: April 29, 2003

Date Effective: May 1, 2003

SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Rate II - Continued

Energy Charge (cents per kwhr) - Continued

Month	Time Period *	Market Supply		Monthly Adjustment		Transmission	Distribution	Total	
		NYC**	Westchester**	NYC**	Westchester**			NYC**	Westchester**
Jul-03	On-Peak	26.42	12.42	(1.96)	12.04	8.47	0.24	33.17	33.17
	Shoulder Peak	11.48	9.05	(0.31)	2.12	0.04	0.24	11.45	11.45
	Off-Peak	6.68	5.33	(0.20)	1.15	0.04	0.24	6.76	6.76
Aug-03	On-Peak	26.26	12.26	(1.88)	12.12	8.47	0.24	33.09	33.09
	Shoulder Peak	11.32	8.89	(0.30)	2.13	0.04	0.24	11.30	11.30
	Off-Peak	6.45	5.11	(0.19)	1.15	0.04	0.24	6.54	6.54
Sep-03	On-Peak	23.29	10.48	(0.12)	12.69	8.47	0.24	31.88	31.88
	Shoulder Peak	8.35	7.11	(0.06)	1.18	0.04	0.24	8.57	8.57
	Off-Peak	5.26	4.79	0.16	0.63	0.04	0.24	5.70	5.70
Oct-03	On-Peak	22.68	9.92	(1.07)	11.69	0.04	0.24	21.89	21.89
	Off-Peak	5.22	4.76	0.07	0.53	0.04	0.24	5.57	5.57

* On Peak Monday through Friday 12 Noon to 6:00 P.M. in the months of June, July, August and September and Monday through Friday 8:00 A.M to 10:00 P.M. in all other months.
Shoulder Peak Monday through Friday 8:00 A.M. to 12 Noon and 6:00 P.M. to 10:00 P.M. in the months of June, July, August and September.
Off Peak The entire 48 hours of Saturday and Sunday and Monday through Friday 10:00 P.M. to 8:00 A.M.

** See General Information Section I.

Meter Charge (per meter per month)

\$ 50.00

System Benefits Charge The charge, which is described in General Information Section VIII-(B) , is shown on the related Statement.

(Service Classification No. 3 - Continued on Leaf No. 223)

Date of Issue: April 29, 2003

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SERVICE CLASSIFICATION NO. 3 - Continued

BACK-UP SERVICE

Common Provisions Applicable to Rate I and Rate II

Interconnection Charge

(A) Customers in this Service Classification shall be subject to the following charges for interconnection costs if private generation facilities on the premises (i) commenced operation prior to February 1, 2000, or (ii) have a total nameplate rating greater than 300 kVA, or (iii) are connected in parallel with distribution feeders other than radial distribution feeders:

(1) A charge for the reasonable costs of connection, including the costs of initial engineering evaluations, switching, metering, transmission, distribution, safety provisions, engineering, and administrative costs incurred by the Company directly related to the installation of the facilities deemed necessary by the Company to permit interconnected operations with a Customer, to the extent such costs are in excess of the corresponding costs which the Company would have incurred had the Customer taken firm service. All such facilities will remain the property of the Company. The Customer may pay for the foregoing interconnection costs either:

(a) by paying in full prior to the commencement of service under this Service Classification; or

(b) by paying at least twenty-five percent of the interconnection costs prior to the commencement of service under this Service Classification and arranging with the Company to pay over not more than a five-year period the balance of such interconnection costs plus interest at the unadjusted Customer deposit rate in effect at the time a payment plan is agreed upon with the Company. The Company may require a Customer to provide adequate security for the payment of the balance of the interconnection costs due the Company under the payment agreement.

The costs of distribution system reinforcements required for parallel operations and incurred subsequent to interconnection are an element of the interconnection costs and will be charged to the Customer, provided that such costs are initially foreseen, but not necessarily incurred at the time of interconnection. The Customer may pay for this element of interconnection cost at the time it is incurred, or pursuant to a payment agreement similar to the one described in the preceding paragraph.

(2) An annual charge of 10 percent of the capital costs of interconnection, including the costs of distribution system reinforcements, to cover property taxes and operation and maintenance expenses. The annual charge shall be determined by multiplying the rate of 10 percent by the total capital costs of interconnection. The annual charge is payable by the Customer in monthly installments equal to one-twelfth of the annual charge.

(Service Classification No. 3 - Continued on Leaf No. 223-A)

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SERVICE CLASSIFICATION NO. 3 - Continued

BACK-UP SERVICE

Common Provisions Applicable to Rate I and Rate II - Continued

Interconnection Charge - Continued

(B) Customers in this Service Classification shall be subject to the following charges for interconnection costs if private generation facilities on the premises (i) commenced operation on or after February 1, 2000, (ii) have a total nameplate rating of 300 kVA or less, and (iii) are connected in parallel with radial distribution feeders:

- (1) An advance payment for the costs of any equipment and facilities installed on the Company's system, including metering, necessary to permit operation of the Customer's generation facilities in parallel with the Company's system. The amounts and timing of Customers' payments shall be determined in accordance with the New York State Standardized Interconnection Requirements and Application Process (the "SIR") as adopted by the Public Service Commission and as may be amended from time to time by the Commission. The SIR is set out in Addendum-SIR to this Rate Schedule.
- (2) A cost-based advance payment for the Company's review of the Customer's proposed interconnection design package and for any studies, including but not limited to the Coordinated Electric System Interconnection Review, performed by the Company with respect to the interconnection of the Customer's generation facilities.

The Company will reconcile its actual costs with the total of the Customer's advance payment for estimated costs of equipment and facilities, advance payment for reviews and studies, and application fee (as described in Special Provision D (1)). The Customer will pay or the Company will refund, without interest, the difference, except for the application fee, which is non-refundable.

(C) Failure of the Customer to pay any of the interconnection charges or annual charges, when due, shall be cause for termination of service in accordance with the procedures specified in this Rate Schedule.

Adjustments

The charges set forth herein will be subject to the Adjustment Factor - MSC, Adjustment Factor - MAC, and other charges and adjustments, as applicable, as described in General Information Sections VII and VIII(B).

(Service Classification No. 3 - Continued on Leaf No. 224)

Date of Issue: December 17, 2002

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SERVICE CLASSIFICATION NO. 3 - Continued

BACK-UP SERVICE

Common Provision Applicable to Rate I and Rate II - Continued

Increase in Rates and Charges

The rates and charges under this Service Classification, including the meter charge and Adjustments described above, are increased by the applicable percentage as explained in General Information Section VIII-(A) and shown on the related Statement.

Determination of Demand

The contract demands for primary and secondary distribution for the purpose of billing under this Service Classification shall be the contract demands as specified in the Customer's request for service hereunder (expressed in kw), unless and until a higher maximum demand is created by the Customer, in which case such higher maximum demand shall become the contract demand for that month and thereafter unless and until exceeded by a still higher maximum demand, which in turn shall likewise be subject to the foregoing conditions, provided, however, that if a Customer requests and receives a reduction in the contract demand (as explained in General Rule III-11(U)), the demand history prior to the reduction will not be considered in determining the contract demand for subsequent months.

If the monthly maximum demand exceeds the contract demand by ten percent or less, a surcharge equal to twelve times the monthly contract demand rate for the excess in demand will apply to the monthly bill. If the monthly maximum demand exceeds the contract demand by more than ten percent, a surcharge equal to twenty-four times the monthly contract demand rate for the excess in demand will apply to the monthly bill. The excess in demand to which the surcharge applies will be billed at the rate block(s) at which the increase in the contract demand for that month is billed.

The summer billing period is the four-month period from June 1 through September 30. The as-used demands will be billed for the four summer monthly billing periods and will be ratcheted so that the billing demands for the as-used demand charges for any summer monthly billing period will not be less than the maximum as-used demands occurring in any of the three preceding summer monthly billing periods.

If the Customer terminates service under this Service Classification and within one year thereafter takes service under this Service Classification or the Service Classification for Supplementary Service, its billing for as-used demands will be computed as if the Customer had not terminated service.

Back-up Service, Supplementary Service and Buy-back Service must each be contracted for separately and will be metered separately.

The Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of maximum demand. See General Rule III-11 (D) for definition of maximum demand.

(Service Classification No. 3 - Continued on Leaf No. 225)

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SERVICE CLASSIFICATION NO. 3 - Continued

BACK-UP SERVICE

Common Provision Applicable to Rate I and Rate II - Continued

Determination of Demand - Continued

With respect to Rate II, when demand is determined by an interval meter, the maximum demand for primary distribution and secondary distribution shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during the applicable time periods.

Terms of Payment

Net cash on presentation of bill, subject to late payment charge in accordance with provisions of General Rule III-11 (N).

Term

One year from the date of installation of service hereunder; terminable thereafter by the Customer upon 30 days' prior notice in writing and by the Company in accordance with law or the provisions of this Rate Schedule.

Special Provisions Applicable to Rate I and Rate II

- (A) A Customer may segregate any portion of the total requirements so that such portion shall be served exclusively with the Company's service under another and appropriate Service Classification, except as otherwise provided under General Rule III-13 (D) relating to segregated service.

A Customer which is a Qualifying Facility under Part 292 of Title 18 of the Code of Federal Regulations may elect, no more frequently than once in any 12-month period, to have its purchases of energy and demand billed at the rates applicable under either this Service Classification or an appropriate firm service classification. If the Customer elects to have its purchases billed at the rates applicable under an appropriate firm service classification, it will be treated, for billing purposes only, as if it were taking service under such firm service classification, except that the "Interconnection Charge" and "Reactive Power Demand Charge" under this Service Classification shall continue to apply; for all other purposes, such Customers shall be treated as taking service under this Service Classification.

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SERVICE CLASSIFICATION NO. 3 - Continued

BACK-UP SERVICE

Special Provisions Applicable to Rate I and Rate II - Continued

- (B) If the Customer's load factor for the summer or winter billing periods exceeds 10 percent, service under this Service Classification will be terminated, and the Customer will thereafter be billed for service under the Service Classification for Supplementary Service. Load factor for the summer billing period is defined as the ratio of the summer kWhrs to the product of 2,880 hours times the contract demand and load factor for the winter billing period is defined as the ratio of winter kWhrs to the product of 5,760 hours times the contract demand.

Customers transferred to the Service Classification for Supplementary Service for exceeding the 10 percent load factor test will thereafter be eligible for service under this Service Classification if they maintain a load factor of not more than 10 percent for one year.

- (C) The following provisions are applicable to Customers with private generation facilities on the premises that (i) commenced operation prior to February 1, 2000, or (ii) have a total nameplate rating greater than 300 kVA, or (iii) are connected in parallel with distribution feeders other than radial distribution feeders:

- (1) Communication, metering, and interrupting equipment, as specified by the Company, will be installed and maintained in accordance with Company specifications at the Customer's expense, including such facilities not located on the Customer's property.
- (2) All requests for parallel operation will be reviewed on a case-by-case basis. Parallel operation will be permitted only if, and to the extent, such operation does not jeopardize the adequacy or reliability of service to the Company's other Customers. Backfeed of power into the Company's system will not be permitted under this Service Classification. Failure of the Customer at any time to comply with the terms and conditions specified by the Company in order to permit parallel operation will result in the Customer forfeiting its right to operate in parallel with the Company's system. In the event a Customer forfeits its right to operate in parallel with the Company's system, the Customer will be required to bear the reasonable expense associated with disconnecting the Customer's private plant from the Company's system. Where there is a dispute between the Customer and the Company with respect to the standards and charges for interconnection, the Customer may apply to the Public Service Commission for a ruling in the matter.
- (3) The Customer's generating plant and the Company's system may be operated in parallel as required subject to the Customer's compliance with the Company's design requirements and operating rules and procedures. To accomplish such parallel operation in a safe, economical, and efficient manner, operating instructions shall be prepared by the Company, submitted to the staff of the Public Service Commission for review, and adhered to by the authorized operating representatives of the Customer. Such operating instructions shall include, among other things, procedures for:
 - (a) Maintaining proper voltage and frequency and for putting into effect voltage changes as required from time to time;

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SERVICE CLASSIFICATION NO. 3 - Continued

BACK-UP SERVICE

Special Provisions Applicable to Rate I and Rate II - Continued

(C) - Continued

(3) - Continued

- (b) Phasing and synchronizing the Customer's generating plant and the Company's system;
- (c) Taking feeders out of service for maintenance or during emergency conditions and restoring them to service thereafter; and
- (d) Controlling the flow of real power and reactive power between the Customer's generating plant and the Company's system.

Where there is to be parallel operation, the Customer's authorized operating representatives shall receive the necessary training from the Company's authorized operating representatives in the Company's operating procedures before parallel operation is begun.

- (4) Where the Customer operates in parallel, the Customer shall provide and maintain on its premises all necessary facilities, as specified by the Company, for connecting the Company's feeder cables to the Customer's generating station, including transformers, circuit breakers, and all equipment and facilities necessary and required for synchronizing the Customer's generating plant with the Company's system and for controlling the flow of energy and wattless current and for protection of the interconnected systems. Such required facilities may include a communication system between the Customer's generating plant and the Company's system or district operator consisting of transmitting equipment and a communications path such as a leased telephone line or lines connecting these points to provide transfer trip of the Customer tie. Voice communication and telemetering of loads shall be provided at the Customer's expense.
- (5) The Customer is solely responsible for providing adequate protection for Customer's facilities operating in parallel with the Company's system. Except where caused by the Company's negligence, the Company will not be liable for, and the Customer shall indemnify and hold the Company harmless for damages to the property of the Company or others or injuries to persons arising out of any occurrence related to the Customer's ownership, use or operation of the Customer's facilities.

(Service Classification No. 3 - Continued on Leaf No. 228)

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SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Special Provisions Applicable to Rate I and Rate II – Continued

- (D) The following provisions are applicable to Customers with private generation facilities on the premises that (i) commenced operation on or after February 1, 2000, (ii) have a total nameplate rating of 300 kVA or less, and (iii) are connected in parallel with radial distribution feeders:
- (1) The New York State Standardized Interconnection Requirements and Application Process (the "SIR"), as adopted by the Public Service Commission and as may be amended from time to time by the Commission, is set out in Addendum-SIR to this Rate Schedule. Customers' applications for service under this Service Classification for generation facilities with a total nameplate rating greater than 15 kVA, and Customers' applications for service for single phase generation facilities with a total nameplate rating of 15 kVA or less, will be made using the applications set forth in Addendum-SIR. Applications for service for generation facilities with a total nameplate rating greater than 15 kVA must be accompanied by a non-refundable \$350 application fee.
 - (2) Assuming the conditions of the SIR are met, the Company and the Customer will execute the New York State Standardized Contract set forth in Addendum-SIR
 - (3) The installation and parallel operation of generation facilities will be in accordance with the SIR.
 - (4) The Company shall install detented metering equipment, to be paid for by the Customer, to measure the Customer's demand and energy consumption of electricity supplied or delivered by the Company, and to prevent reverse metering registration in the event the Customer's generation output exceeds the Customer's load.

(Service Classification No. 3 - Continued on Leaf No. 228-A)

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SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Special Provisions Applicable to Rate I and Rate II - Continued

- (E) Service of the type provided to Customers under Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company's PSC No. 8 - Electricity schedule, who were taking such service as of July 30, 1982, will be available to such Customers under this Service Classification at the locations at which such service was provided as of July 30, 1982. Effective May 3, 1983, such Customers were transferred to this Service Classification. All the terms and conditions of this Service Classification will apply to service provided to such Customers except the Rate and Special Provision B.

The energy use of the Customers taking service hereunder pursuant to this Special Provision will be billed at the energy rates below, and the demand will be billed at the demand rate below for each kw of contract demand per month, instead of the charges otherwise specified in this Service Classification for energy and demand.

Energy Charge (cents per kwhr)

<u>Month</u>	<u>Market Supply</u>		<u>Monthly Adjustment</u>		<u>Trans- mission</u>	<u>Distri- bution</u>	<u>Total</u>	
	<u>NYC*</u>	<u>West- chester*</u>	<u>NYC*</u>	<u>West- chester*</u>			<u>NYC*</u>	<u>West- chester*</u>
May-03	6.63	5.87	0.00	0.76	0.04	0.44	7.11	7.11
Jun-03	7.21	6.02	0.04	1.23	0.04	0.44	7.73	7.73
Jul-03	8.69	6.89	(0.25)	1.55	0.04	0.44	8.92	8.92
Aug-03	8.50	6.70	(0.24)	1.56	0.04	0.44	8.74	8.74
Sep-03	6.56	5.77	0.11	0.90	0.04	0.44	7.15	7.15
Oct-03	6.26	5.51	0.01	0.76	0.04	0.44	6.75	6.75

Demand Charge (per kw of contract demand)

<u>Month</u>	<u>Market Supply</u>		<u>Monthly Adjustment</u>		<u>Trans- mission</u>	<u>Distri- bution</u>	<u>Total</u>	
	<u>NYC*</u>	<u>West- chester*</u>	<u>NYC*</u>	<u>West- chester*</u>			<u>NYC*</u>	<u>West- chester*</u>
May-03	\$ 1.68	\$ 0.38	\$ (0.08)	\$ 1.22	\$ 0.21	\$ 1.42	\$ 3.23	\$ 3.23
Jun-03	\$ 1.68	\$ 0.38	\$ (0.01)	\$ 1.29	\$ 0.21	\$ 1.42	\$ 3.30	\$ 3.30
Jul-03	\$ 1.68	\$ 0.38	\$ (0.18)	\$ 1.12	\$ 0.21	\$ 1.42	\$ 3.13	\$ 3.13
Aug-03	\$ 1.68	\$ 0.38	\$ (0.17)	\$ 1.13	\$ 0.21	\$ 1.42	\$ 3.14	\$ 3.14
Sep-03	\$ 1.68	\$ 0.38	\$ (0.02)	\$ 1.28	\$ 0.21	\$ 1.42	\$ 3.29	\$ 3.29
Oct-03	\$ 1.68	\$ 0.38	\$ (0.09)	\$ 1.21	\$ 0.21	\$ 1.42	\$ 3.22	\$ 3.22

* See General Information Section I.

System Benefits Charge The charge, which is described in General Information Section VIII-(B) , is shown on the related Statement.

(Service Classification No.3. - Continued on Leaf No. 228-B)

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SERVICE CLASSIFICATION NO. 3 - Continued
BACK-UP SERVICE

Special Provisions Applicable to Rate I and Rate II - Continued

- (F) A Customer with induction-type generating equipment and taking service under this Service Classification will be charged for the kilovar requirements of such equipment. The kilovar requirements will be determined from the nameplate rating of the Customer's generating equipment or from the design specifications of the manufacturer of the generating equipment. The kilovar requirements of the Customer's generating equipment will be reduced by the kilovar rating of any power factor corrective equipment installed by the Customer.
- (G) Rates and charges stated without reference to a specific month shall apply to all electric service supplied hereunder on and after the effective date hereof. Where a bill includes periods before the effective date and after the effective date, the rates and charges applicable will be prorated based on the number of days of service rendered before the effective date and on and after the effective date related to the total number of days in the billing period.
- Rates and charges referable to a specific month ("month-specific rates and charges") shall apply to all electric service supplied hereunder after the last day of the preceding month and through the last day of the named month. Where a bill includes periods before and after the first calendar day of a month, the month-specific rates and charges applicable will be prorated based on the number of days of service rendered before the first day of the month and on and after the first calendar day of the month related to the total number of days in the billing period.
- (H) The following Riders may be applied to this Service Classification: A, M, P, Q, S, V, and Y. Riders Q and S apply only to Customers receiving service under Special Provision A. Customers who request service or increased service on and after May 1, 2002 at a load density that exceeds the higher of (i) the Standard Load Density for the type of premises for which service is requested or (ii) the load density that the Company, after consultation with the Customer, concludes is required for safe and adequate service, will be served under Rider Y.
- (I) For general rules, regulations, terms, and conditions under which service will be supplied, see General Information Section III.
- (J) Requests for service under this Service Classification shall be made in writing.

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